such a proceeding is not fit for a position on the judicial bench." Decisions which uphold such preferences when "fair and reasonable" the author characterizes as "weak straddles." 7 Thompson on Corp. 8496.

BILLS OF LADING—LIABILITY OF ASSIGNEE FOR BREACH OF ORIGINAL CONTRACT OF SALE.—An assignee of a bill of lading with draft attached, is held in *Finch* v. *Gregg* (N. C.), 49 L. R. A. 679, to be liable if he receives payment of the draft, to an action for a return of the money, in case the property covered by the bill does not comply with the contract.

This decision is supported by that of *Landa* v. *Lattin Bros.*, 19 Tex. Civ. App. 246, 46 S. W. 48, noticed in 4 Va. Law Reg. 391, but the annotation to the former case shows that the authorities generally are to the effect that, if such a draft is accepted, the rights and liabilities of the parties are thereafter governed by the law of negotiable paper, unaffected by any of the equities that may exist between the original parties to the contract.

In a recent case at *nisi prius*, Judge Martin, of Norfolk, Va., declined to follow the two cases cited, and held in accordance with the doctrine last stated.

If there had been no bill of lading in the case, on the most elementry principles of the law of negotiable paper, the acceptor (buyer) would have no cause of action against the holder to whom he has made payment, by reason of equities between him and the drawer (original seller).

On the other hand, if there had been no draft, but a mere sale of the goods by assignment of the bill of lading to the intermediate assignee, and an assignment by him to the plaintiff, it is probable that the intermediate assignee would be held to have assumed all the responsibilities of a seller, including liability for breach of warranty or condition.

But where the two are combined—the draft and the bill of lading—the purpose in assigning the bill of lading is merely to give security to the draft; the transaction being tantamount to a pledge of the goods as collateral security. When, therefore, the drawee (and buyer) pays the draft to the holder, an assignment of the bill of lading to the drawee by the holder, is rather in the nature of a release of the holder's lien on the goods—or, if it be regarded as a sale, it is a sale by a pledgee, who, in the absence of special contract, should not be held to warrant either title or quality.

The view that the holder of the draft and assignee of the bill of lading, is not responsible for breach of warranty or of condition as to the quality of the goods, is strongly presented in 7 Case and Comment, 63.